Steve Troxler Commissioner

## North Carolina Department of Agriculture and Consumer Services Research Stations Division

D. Kaleb Rathbone

## **Increasing Meat Processing Efficiency & Capacity (IMPEC)**

## September 21, 2020

## **Request for Proposals**

In July 2020, the North Carolina General Assembly (HB 1105) allocated funding to stimulate North Carolina commerce by increasing small-scale meat and seafood processing efficiency and capacity. This initiative is funded by federal appropriations and is administered by the North Carolina Department of Agriculture and Consumer Services' Research Station Division. This program will service and continue the Department's "Got to be NC" effort. The bill specifically requires participating plants to generate meat and seafood products that enter the commerce stream.

Interruptions in the supply chain for red meat and seafood were demonstrated by empty meat and seafood cases in grocery stores in March, April and May of 2020. These empty shelves were not caused by a lack of food animals, fish and shellfish available for harvest; rather the shortages were the result of large-scale meat and seafood processing plants reducing the volume of animals processed because of the pressure from Covid-19. Local, small-scale meat and seafood processors have been overwhelmed with requests for their service to supply meat and seafood that was unavailable from the grocery store. Processors today are working through a backlog of 8 to 12 months for their customers.

To ensure food security for North Carolina, the IMPEC initiative will address the vulnerability identified by this pandemic. The food animal industry represents approximately 70% of North Carolina's agricultural economy. This program will support that industry by increasing efficiency and capacity of local small-scale meat processing facilities that will benefit the livestock/seafood producers, processors and consumers to ensure an uninterrupted supply of wholesome North Carolina meat and seafood products. This program was expanded in September 2020 to include fresh water fish, salt water fish and shellfish. A competitive grant program of \$20,250,000 will support this initiative.

Recipients shall provide matching funds for the grant in the amount of one dollar (\$1.00) from non grant sources for every two dollars (\$2.00) provided by the grant. Matching funds with Cash must come from non-federal and/or state sources. Matching funds for this project may not be used as a match for any other federal or state cost-share project.

An eligible meat and seafood processing facility must provide sufficient documentation that it either:

A. Meets both of the following requirements:

- 1. The plant contracts with independent livestock or seafood producers to process animals owned by the producers.
- 2. The United States Department of Agriculture (USDA) contracts with Department inspectors to conduct federal inspection activities authorized by the Talmadge-Aiken Act of 1962 (7 U.S.C. § 1633) at the plant, the plant is otherwise regulated by the USDA, FDA or the plant is a State-inspected facility; or

Project categories can include, but are not limited to:

- Equipment and Infrastructure
- Contractual/Consultation
- Labor; Training and Retention
- Other Identified Needs

For specific statutory requirements of grant eligibility, please see attached House Bill 1105 (Session Law 2020-97, Section 4.2A).

Proposals can be for beef, pork, small ruminant, fish and shellfish processing facilities. Proposals should focus on stimulating the economy by increasing the capacity and efficiency of moving North Carolina produced meat and seafood from the farmer to the consumer.

The grant application and required forms can be downloaded from the North Carolina Department of Agriculture and Consumer Services website at <a href="https://www.ncagr.gov">www.ncagr.gov</a>. Applications must be postmarked by Close of Business October 12, 2020.

For questions about the program in general, please contact Joe Hampton or Sam Brake.

For more information concerning the program submission process, please contact Allison Medlin at allison.medlin@ncagr.gov or by phone at (919) 693-2483.

Sincerely,

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cc: Dr. Sandy Stewart
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